

First Draft 06-04-04

**AIRPORT BUILDING LEASE
703 AIRPORT DRIVE, BURLINGTON, WISCONSIN**

This lease Agreement, made and entered into this _____ day of _____ 2004, by and between Burlington Development Group, hereinafter referred to as "Lessor," and the City of Burlington, hereinafter referred to as "Lessee"; the Lessor and Lessee for and in consideration of the keeping by the parties of their respective obligations hereinafter contained, agree as follows:

**ARTICLE 1
PREMISES SUBJECT TO LEASE; USE OF PREMISES**

The premises subject of this Lease are described in "Exhibit A," consisting of the non-exclusive use of approximately 1400 square feet of the existing building located at 703 Airport Drive, Burlington, Wisconsin.

Such non-exclusive use shall be for the purpose of public access for

**ARTICLE 2
TERM**

The term of this Lease shall be from _____, _____ to _____, _____ [not to exceed 5 years] both dates inclusive. In the event that the Lessee is not in default under any of the terms and conditions herein, this Lease may be renewed for successive five year periods thereafter upon mutually agreed-upon terms. This Lease is not transferable.

**ARTICLE 3
RENT**

4

The Lessee shall pay to the Lessor as rent for the Leased Premises the sum of \$ 865⁰⁰ per month, to be paid to Burlington Development Group on the first

day of each month for the term of this contract, subject to the provisions set forth in Article 4, Section A.

At the time of execution of this Lease, and prior to taking occupancy of the premises, the Lessee shall pay to the Lessor the first month's rent. Utilities are included in the rent.

ARTICLE 4 ADDITIONAL PROVISIONS

A. RENTAL INCREASES. The Lessor may adjust the rental charge rate in the year 2006 and every year thereafter, as determined by the Airport Committee in the same proportion as the cumulative change in the Consumer Price Index for all urban customers (CPI-U) over the same time period. In the event of a rate change, Lessor shall give Lessee sixty (60) days advance notice.

B. USE OF FACILITIES. Lessee shall have the right to the non-exclusive use in common with others of the area included in Exhibit A hereto, and airport parking areas, appurtenances and improvements to the land outside of the building over which Lessor exercises control.

C. INDEMNIFICATION. Lessee agrees to indemnify and hold the Burlington Development Group free and harmless from loss from each and every claim and demand, of whatever nature, made on the behalf of or by any person or persons for any act or omission on the part of the Lessee, or Lessee's agents, employees, guests and patrons and from all loss or damage by reason of such acts or omissions.

D. OWNERSHIP OF IMPROVEMENTS. Lessor shall retain title to all improvements constructed on said premises.

E. MAINTENANCE; DAMAGE TO OR DESTRUCTION OF PREMISES.

1) **Maintenance.** The Lessee shall not be responsible for maintenance of the leased property.

2) **Damage to or Destruction of Premises.** a) If, after the Lessee enters into possession hereunder, fifty percent (50%) or more of the buildings or improvements on the leased premises shall be damaged or destroyed by any casualty, this Lease shall continue in effect for a period of thirty (30) days from the date of such

occurrence, rent payments to be reduced proportionately to the extent of the decrease in the usefulness of the facilities of the leased premises. During such thirty (30) day period, either party may elect to terminate this Lease by written notice to the

other. If neither party terminates the Lease, then, unless the repair was made necessary by the negligence or improper use of the premises by the Lessee or the Lessee's invitees, the Lessor, at the Lessor's cost, shall, as quickly as possible, repair or replace such damage or destruction. During the period of existence of such damage or destruction, and of the repair or replacement thereof, rent payments shall be reduced proportionately to the extent of the decrease in the usefulness of the facilities of the leased premises.

b) If, after the Lessee takes possession hereunder, less than fifty percent (50%) of the buildings or improvements on the leased premises shall be damaged or destroyed by any casualty, unless the repair was made necessary by the negligence or improper use of the premises by the Lessee or the Lessee's invitees, the same shall be repaired as quickly as possible, at the expense of the Lessor, and with the least inconvenience as is reasonably possible to the Lessee, and the rent from the date of such damage or destruction to the completion of the repair shall be reduced proportionately to the extent of the decrease in the usefulness of the facilities of the leased premises.

c) If the premises are damaged by the negligence or improper use of the premises by the Lessee or the Lessee's invitees, the Lessee must repair the damage and restore the appearance of the premises; however, the Lessor may elect to undertake the repair and/or restoration, and in such case the Lessee shall reimburse the Lessor for the cost thereof.

F. ADVERTISING. Lessee agrees that no sign or advertising matter may be erected without the written consent of the Lessor.

G. DEFAULT. If Lessee fails to pay rent when due, or commits waste or breaches any other covenant or condition of this Lease, Lessor shall give Lessee notice to pay the rent, repair the waste or comply with the Lease on or before a date at least 30 days after the giving of the notice, and that failure to comply will result in the termination of the tenancy. If the tenancy is so terminated, Lessor shall proceed under Article 4, Section 1.

H. INSURANCE. The Lessee agrees that it will deposit with the Lessor a policy of comprehensive liability insurance. The policy shall be issued by a company licensed to do business in Wisconsin and shall insure the Lessee against loss from liability to the amount of \$1,000,000 for each occurrence and in the amount of \$2,000,000 aggregate, which shall name the Lessor as an additional insured. The cancellation or other termination of any insurance policy issued in compliance with this section shall

automatically terminate the Lease unless another policy has been filed and approved pursuant to this section and shall be in effect at the time of such cancellation or termination.

I. TERMINATION. (1) By Default. In the event that Lessee defaults under this Lease, or by other operation of law, the tenancy shall be terminated, Lessor shall have the right to re-enter or repossess the leased property, either by force, summary proceedings, surrender, or otherwise, and dispossess and remove therefrom Lessee, and its effects, without being liable to any prosecution therefore, and Lessee shall surrender possession of the premises, and Lessee hereby expressly waives the service of notice of intention to re-enter or of instituting legal proceedings to that end.

(2) By Expiration. In the event that this Lease is terminated pursuant to Article 2 hereof, Lessee shall surrender possession of the premises in the condition in which let. If the Lessee fails to surrender possession of the premises, Lessor shall have the right to re-enter or repossess the leased property, either by force, summary proceedings, surrender, or otherwise, and dispossess and remove therefrom Lessee, and its effects, without being liable to any prosecution therefore, and Lessee hereby expressly waives the service of notice of intention to re-enter or of instituting legal proceedings to that end.

(3) By Mutual Consent. This Lease may be terminated by the mutual consent of the parties, upon the entry into a new Lease or such other terms and conditions agreed to as evidenced by the signatures of the parties hereto.

J. GENERAL PROVISIONS. The following provisions shall apply to this Agreement:

(1) Rights and liabilities of the parties shall bind and inure to the benefit of their personal representatives, heirs, successors and assigns.

(2) This agreement constitutes the entire agreement pertaining to the subject matter and supersedes all prior and contemporaneous agreements of the parties in connection therewith.

(3) In construing this Lease, feminine or neuter pronouns may be substituted for those masculine in form and vice versa and plural terms may be substituted for singular and singular for plural in any place in which the context so requires.

(4) The captions contained in this Agreement are for reference only and do not form part of this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals they day and year first herein written.

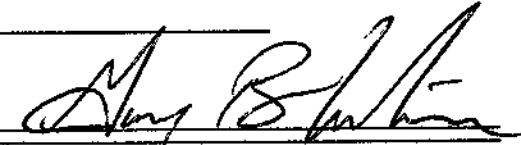
Approved by Common Council on:

Burlington Development Group

City of Burlington

By _____

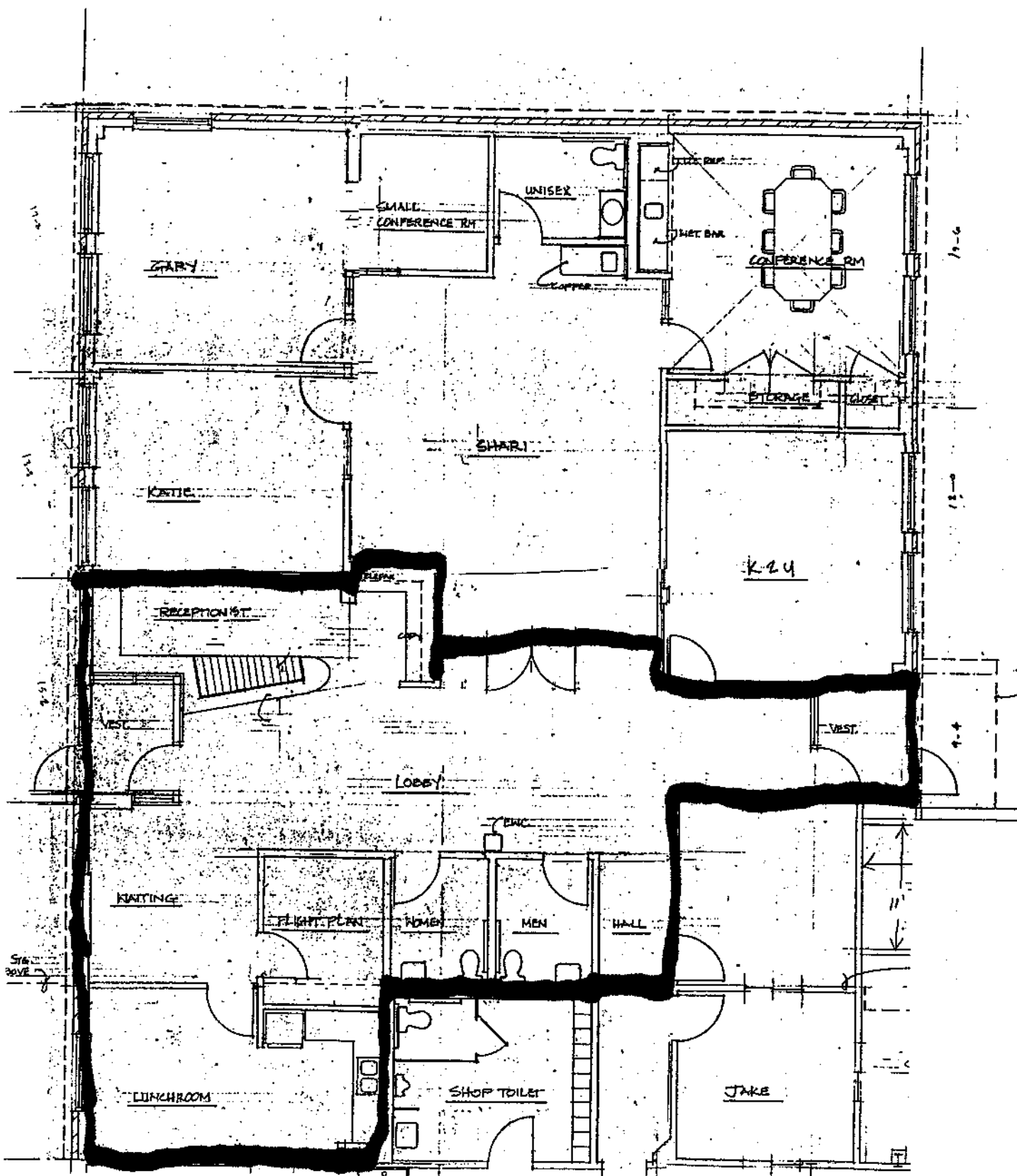
Gary B. Meisner



Signature

Print (or type) name

Exhibit A



First Draft 05-17-04

**AIRPORT BUILDING LEASE
707 AIRPORT DRIVE, BURLINGTON, WISCONSIN**

This lease Agreement, made and entered into this _____ day of _____ 200_, by and between the City of Burlington, State of Wisconsin, a municipal corporation existing through and under the authority of the laws of the State of Wisconsin, hereinafter referred to as "Lessor", and _____ whose mailing address is _____ hereinafter referred to as "Lessee"; the Lessor and Lessee for and in consideration of the keeping by the parties of their respective obligations hereinafter contained, agree as follows:

**ARTICLE 1
PREMISES SUBJECT TO LEASE**

The premises subject of this Lease are the entirety of that building located at 707 Airport Drive at the Burlington Municipal Airport, Burlington, Wisconsin, which is a structure approximately 48 feet 6 inches wide by 86 feet 2 inches long, consisting of approximately 1,081 square feet of interior office space (48 feet 6 inches by 24 feet 2 inches on the exterior) and an interior hangar area of approximately 2,820 square feet (48 feet 6 inches by 62 feet on the exterior), together with use of the common areas as provided in Article 5, Section C. The land adjacent to and surrounding the building is and shall be considered a part of the common area; no private exterior yard is included in this lease.

**ARTICLE 2
TERM**

The term of this Lease shall be from _____, _____ to _____, _____ [not to exceed 5 years] both dates inclusive. In the event that the Lessee is not in default under any of the terms and conditions herein, this Lease may be renewed for successive five year periods thereafter upon mutually agreed-upon terms. This Lease is not transferable.

**ARTICLE 3
RENT**

The Lessee shall pay to the Lessor as rent for the Leased Premises the sum of \$ 1065⁰⁰ per month, to be paid to the City on the first day of each month for the term of this contract, subject to the provisions set forth in Article 5, Section A.

At the time of execution of this Lease, and prior to taking occupancy of the premises, the Lessee shall pay to the Lessor the first month's rent.

Utilities are not included in the rent. Lessee shall promptly pay all utility obligations incurred by entry into this Lease Agreement including, but not limited to: all charges for gas, electric, water, sewer, cable, refuse removal and telephone.

ARTICLE 4 USE OF THE PREMISES

The Lessee may use and occupy the Leased premises for the operation of aircraft or aircraft component repair, modification, or installation thereof, flight training, or other aviation related activities as specifically authorized by the Burlington Airport Committee.. Lessee may not change the intended use to that of another type except upon petition to the Airport Committee in writing, Committee approval of the change, Common Council approval of the change, and written addendum to this Lease.

The Lessee shall not use or knowingly permit any part of the leased property to be used for any unlawful purpose, nor shall Lessee in any way violate any certificate of occupancy affecting the leased property in any way which will void or make voidable any insurance then in force with respect thereto, or which will make it impossible to obtain fire or other insurance required to be furnished by either of the parties or which is reasonably necessary, or which will increase the cost of the Lessor's fire insurance, or which will cause or be likely to cause structural damage to the building or any part thereof, or which will constitute a public or private nuisance.

ARTICLE 5 ADDITIONAL PROVISIONS

A. RENTAL INCREASES. The Lessor may adjust the rental charge rate in the year 2006 and every year thereafter, as determined by the Airport Committee in the same proportion as the cumulative change in the Consumer Price Index for all urban customers (CPI-U) over the same time period. In the event of a rate change, Lessor shall give Lessee sixty (60) days advance notice.

B. IMPROVEMENTS. Lessee shall not make improvements to the leased premises without Airport Committee written approval, and if such approval is granted, shall comply with all ordinances, building codes, and zoning restrictions for said airport, and the rules, regulations, and orders of the Airport Committee relative thereto.

C. USE OF FACILITIES. Lessee shall have the right to the non-exclusive use in common with others of the airport parking areas, appurtenances and improvements thereon; the right to install, operate, maintain and store, subject to approval of the Airport Committee, all equipment necessary for the safe hangaring of the Lessee's planes, specifically excluding any aviation gasoline or fuel; the right of ingress to or egress from the demised premises, which shall extend to Lessee's employees, guests and patrons; the right, in common with others so to do, to use common areas of the airport including runways, taxiways, aprons,

roadways, and other conveniences for the take-off, flying and landing of aircraft of Lessee. Lessee shall not store any equipment or other material outside of its building without the written consent of the Airport Committee.

D. COMPLIANCE WITH LAWS. Lessee agrees to observe and obey during the term of this Lease all laws and ordinances, and the rules and regulations promulgated and enforced by the Airport Committee of the City of Burlington, and other proper authority having jurisdiction over the conduct of the operations of the airport including city, county, state and federal agencies or departments.

E. INDEMNIFICATION. Lessee agrees to indemnify and hold the Airport Committee and the City of Burlington free and harmless from loss from each and every claim and demand, of whatever nature, made on the behalf of or by any person or persons for any act or omission on the part of the Lessee, or Lessee's agents, employees, guests and patrons and from all loss or damage by reason of such acts or omissions.

F. SUBLEASE OR RENTAL OF PREMISES. Lessee may not sublet or rent the leased premises or portions of the leased premises. In the event that Lessee fails to disclose a sublease or rental, Lessee agrees to pay the City twice the increased rental for the period of any failure to so disclose and in addition, to pay to the City as and for liquidated damages under this Lease any profit he may have made under the sublease or rental arrangement.

G. OWNERSHIP OF IMPROVEMENTS. Lessor shall retain title to all improvements constructed on said premises.

H. MAINTENANCE; DAMAGE TO OR DESTRUCTION OF PREMISES.

1) **Maintenance.** The Lessee shall be responsible, during the term of this Lease, to maintain the interior of the structure and all of the improvements on the interior of the leased premises in a good state of repair and maintenance at its sole expense, including but not limited to structural and mechanical components of the leased premises, and at the termination of this Lease shall return the premises in the condition in which let.

Lessee shall remove snow from the walkway and apron adjacent to the leased structure as set forth in the Snow Removal Policy (see Article 5, Section T).

Lessor shall maintain the exterior of the structure and the surrounding land and premises in good order, and shall make such repairs as are necessary.

Lessee shall comply with the all refuse collecting and recycling requirements as from time to time instituted by the Lessor.

In the event Lessee fails to comply with required maintenance, Lessor may, after reasonable notice to the Lessee, enter onto the premises for the purpose of completing said maintenance, making such repairs as are necessary, or restoring the leased premises to its original condition. In the event Lessor does so, Lessor shall charge the Lessee the cost of any such maintenance or

repairs. If Lessee refuses to pay any such charge within thirty (30) days, Lessor shall have the right to terminate this lease. See Article 5, Section U.

2) **Damage to or Destruction of Premises.** a) If, after the Lessee enters into possession hereunder, fifty percent (50%) or more of the buildings or improvements on the leased premises shall be damaged or destroyed by any casualty, this Lease shall continue in effect for a period of thirty (30) days from the date of such occurrence, rent payments to be reduced proportionately to the extent of the decrease in the usefulness of the facilities of the leased premises. During such thirty (30) day period, either party may elect to terminate this Lease by written notice to the other. If neither party terminates the Lease, then, unless the repair was made necessary by the negligence or improper use of the premises by the Lessee or the Lessee's invitees, the Lessor, at the Lessor's cost, shall, as quickly as possible, repair or replace such damage or destruction. During the period of existence of such damage or destruction, and of the repair or replacement thereof, rent payments shall be reduced proportionately to the extent of the decrease in the usefulness of the facilities of the leased premises.

b) If, after the Lessee takes possession hereunder, less than fifty percent (50%) of the buildings or improvements on the leased premises shall be damaged or destroyed by any casualty, unless the repair was made necessary by the negligence or improper use of the premises by the Lessee or the Lessee's invitees, the same shall be repaired as quickly as possible, at the expense of the Lessor, and with the least inconvenience as is reasonably possible to the Lessee, and the rent from the date of such damage or destruction to the completion of the repair shall be reduced proportionately to the extent of the decrease in the usefulness of the facilities of the leased premises.

c) If the premises are damaged by the negligence or improper use of the premises by the Lessee or the Lessee's invitees, the Lessee must repair the damage and restore the appearance of the premises; however, the Lessor may elect to undertake the repair and/or restoration, and in such case the Lessee shall reimburse the Lessor for the cost thereof.

I. ACCESS FOR INSPECTION. Lessor reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement or to exhibit said premises to prospective tenants, provided the exercise of this right shall not interfere with the operation of the Lessee's business.

J. FIRE AND POLICE PROTECTION. Lessor agrees to extend to Lessee the same fire and police protection extended to the other tenants of facilities in the airport. Lessee shall arrange for annual inspection of the hangar sites and buildings by the local fire inspector, or at such other frequency as required by state statute.

K. TAXES. Lessee shall pay all taxes or assessments that are levied against personal property of the Lessee. In the event that said personal property taxes are not paid 30 days after becoming due, Lessee shall be considered in default of this Lease. See Article 5, Section M.

L. ADVERTISING. Lessee agrees that no sign or advertising matter may be erected without the written consent of the Lessor.

M. DEFAULT. If Lessee fails to pay rent when due, or commits waste or breaches any other covenant or condition of this Lease, Lessor shall give Lessee notice to pay the rent, repair the waste or comply with the Lease on or before a date at least 30 days after the giving of the notice, and that failure to comply will result in the termination of the tenancy. If the tenancy is so terminated, Lessor shall proceed under Article 5, Section U.

N. FUTURE DEVELOPMENT. Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee and without interference or hindrance from Lessee. The Lessor reserves the right, but shall not be obligated to the Lessee, to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport; together with the right to direct and control all activities of the Lessee in this regard.

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches to the airport against construction, together with the right to prevent the Lessee from erecting, or permit to be erected, any improvement which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft.

O. RESTRICTIONS. Lessor will not exercise or grant any right or privilege which would operate to prevent the Lessee from performing any services on its aircraft with its own employees that it may choose to perform. These services shall include, but are not limited to, maintenance and repair. Lessee will not perform any activities in violation of local, state or federal codes, laws, ordinances or regulations. Lessee is specifically prohibited from painting aircraft on the leased property.

P. PREEMPTION OF LEASE. During the time of war or national emergency, Lessor shall have the right to lease the landing area, or any part thereof, to the United States Government for military or naval use; and if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government shall be suspended.

All leases shall be subordinate to the provisions of any existing or future agreement, between the Lessor and the United States relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport.

Q. NON-DISCRIMINATION. The Lessee, for himself or successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree that: (1) no person, on the grounds of race, color, religion, or national origin, shall be excluded from participation in, denied the benefits of, or otherwise subject to discrimination in the use of the leased facilities of the City of Burlington Municipal Airport; (2) in the construction and maintenance of any improvements on, over, or under such land and the furnishing of services thereon or therein, no person on the grounds of race, color, religion or national origin shall be excluded from participation in, denied the benefits of, or otherwise subject to discrimination;

(3) the Lessee shall use the premises in compliance, as applicable, with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Sub-Title A, Office of the Secretary, Part 21, Non-Discrimination, in federally assisted programs of Title VI of the Civil Rights Act of 1964, and as said regulation may be amended.

R. HAZARDOUS SUBSTANCE INDEMNIFICATION. Lessee represents and warrants that its use of the Premises herein will not generate any Hazardous Substance, and it will not store or dispose on the Premises nor transport to or over the Premises any Hazardous Material or Substance in violation of any applicable federal, state, or local law, regulation or rule then presently in effect. Lessee further agrees to hold the City of Burlington harmless from and indemnify the City of Burlington against any release of such Hazardous Substance and any damage, loss, or expense or liability resulting from such release, including all attorney's fees, costs and penalties incurred as a result thereof which was caused by Lessee or any of its employees or agents. "Hazardous Substance" shall be interpreted broadly to mean any substance or material defined as a radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time, and it shall be interpreted to include, but shall not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease.

The City of Burlington represents and warrants that it has no knowledge of any Hazardous Substance existing on the Owned Premises in violation of any applicable federal, state or local law, regulation or rule. The City of Burlington further agrees to hold Lessee harmless from and indemnify Lessee against any damage, loss, or expense or liability resulting from the existence on the Owned Premises of any such Hazardous Substance, including all attorneys' fees, costs and penalties incurred as a result thereof, unless caused by Lessee, any other Lessee, or any of their employees, agents, guests or patrons.

S. INSURANCE. The Lessee agrees that it will deposit with the Lessor a policy of comprehensive liability insurance. The policy shall be issued by a company licensed to do business in Wisconsin and shall insure the Lessee against loss from liability to the amount of \$1,000,000 for each occurrence and in the amount of \$2,000,000 aggregate, which shall name the Lessor as an additional insured. The cancellation or other termination of any insurance policy issued in compliance with this section shall automatically terminate the Lease unless another policy has been filed and approved pursuant to this section and shall be in effect at the time of such cancellation or termination.

T. SNOW REMOVAL POLICY. The Lessor's and the Lessee's responsibilities for snow removal are defined under the City of Burlington's Snow Removal Policy. This Policy was adopted by a resolution of the Burlington Common Council. This policy may be amended or updated at any time without notification. Each party agrees to abide by the then - current terms of said Policy.

U. TERMINATION. (1) By Default. In the event that Lessee defaults under Article 5, Sections H., M., or S., or by other operation of law, the tenancy shall be terminated, Lessor

shall have the right to re-enter or repossess the leased property, either by force, summary proceedings, surrender, or otherwise, and dispossess and remove therefrom Lessee, and its effects, without being liable to any prosecution therefore, and Lessee shall surrender possession of the premises, and Lessee hereby expressly waives the service of notice of intention to re-enter or of instituting legal proceedings to that end.

(2) By Expiration. In the event that this Lease is terminated pursuant to Article 2 hereof, Lessee shall surrender possession of the premises in the condition in which let. If the Lessee fails to surrender possession of the premises, Lessor shall have the right to re-enter or repossess the leased property, either by force, summary proceedings, surrender, or otherwise, and dispossess and remove therefrom Lessee, and its effects, without being liable to any prosecution therefore, and Lessee hereby expressly waives the service of notice of intention to re-enter or of instituting legal proceedings to that end.

(3) By Mutual Consent. This Lease may be terminated by the mutual consent of the parties, upon the entry into a new Lease or such other terms and conditions agreed to as evidenced by the signatures of the parties hereto.

V. GENERAL PROVISIONS. The following provisions shall apply to this Agreement:

(1) Rights and liabilities of the parties shall bind and inure to the benefit of their personal representatives, heirs, successors and assigns.

(2) This agreement constitutes the entire agreement pertaining to the subject matter and supersedes all prior and contemporaneous agreements of the parties in connection therewith.

(3) In construing this Lease, feminine or neuter pronouns may be substituted for those masculine in form and vice versa and plural terms may be substituted for singular and singular for plural in any place in which the context so requires.

(4) The captions contained in this Agreement are for reference only and do not form part of this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals they day and year first herein written.

Approved by Common Council on:

CITY OF BURLINGTON

LESSEE:

By _____

Signature

Airport Manager

Print (or type) name